

The complaint

Mr H complains an error by StoneX Financial Ltd trading as Forex.com (“StoneX”) closed his trading positions causing losses. He says StoneX didn’t reinstate his trades properly and he seeks a return of the £92,500 balance his account had before the error occurred.

Background

My provisional decision of 13 October 2025 set out the complaint background as follows:

What happened

On 14 February 2024 StoneX levied inflated finance (swap) charges on Mr H’s account due to a manual error. As a result his account equity fell below the required 50% margin so all his trades closed and the resulting losses were deducted from his balance, reducing it to £3676.

On 21 February 2024 StoneX reinstated Mr H’s trades and reinstated his balance to £92521, reversing the £88,850 deduction that occurred when the trades closed on 14 February (and another that occurred during an earlier attempt to reinstate the trades). StoneX considered this redressed Mr H fairly. His account equity upon reinstatement was this balance adjusted for the running profit or loss on the reinstated trades, reflecting their fortunes since they first started (prior to 14 February). From what StoneX has sent, when it reinstated the trades they carried a running loss of £91264 (making Mr H’s net balance or equity £1257).

StoneX said in doing all this it acted on its terms including the following: *“14.2 If a Trade is based on a Manifest Error (regardless of whether you or we gain from the error) and/or closed on the basis of Manifest Error we may act reasonably and in good faith to: 14.2.1 void the Trade as if it had never taken place; 14.2.2 close the Trade or any Open Position resulting from it; or 14.2.3 amend the Trade, or place a new Trade, as the case may be, so that (in either case) its terms are the same as the Trade which would have been placed and/or continued if there had been no Manifest Error”.*

Manifest error is defined as follows: *“14.1 A Manifest Error is an error, omission or misquote (including any misquote by our dealer) which by fault of either of us or any third party is materially and clearly incorrect when taking into account market conditions and quotes in Markets or Underlying Instruments which prevailed at that time. It may include, but is not limited to, an incorrect price, date, time, Market or currency pair, financing calculation, rebate, commission or any error or lack of clarity of any information, source, commentator, official result or pronouncement.”*

Term 26.2.2 (i) excludes StoneX from liability for actions under this Manifest error clause.

StoneX accepted the adjustment process and its communication with Mr H could’ve been better and more prompt – and offered Mr H £750 for distress and inconvenience arising.

Mr H says after he saw his trades had closed his balance was -£1200 before going up to £3700 on 15 February 2024. He emailed StoneX that day asking why his trades had been liquidated and said: *“I will only accept correspondence in writing.”* He says he made clear to

StoneX on the phone that day that he *“wished only to communicate only in writing, and that no action should be taken until we had discussed the matter”*. He said he spotted *“more tampering with my account”* on 16 February with the balance reducing to around £1000.

Mr H says StoneX called him on 21 February 2024 between 5 and 6pm telling him his trades had been reinstated. He emailed StoneX just after midnight on 22 February (roughly six hours later) saying he didn't agree reinstatement was the 'correct procedure' and demanding his full balance of £92500 be restored. He asked that this be done within 24 hours or he would seek redress elsewhere. He also said: *“Until then, I shall not be touching or making trades on the account and any further problems with the account or losses are not my responsibility.”* StoneX has told us Mr H's account was subsequently subject to a margin close out but not until March 2024.

Our investigator considered StoneX had acted fairly. Mr H didn't agree. I'll summarise some of his points.

First, it had taken seven days to reinstate his trades after the error and the market changed in that time. So opening these trades days after they closed did not make them the same trades. Mr H said trades aren't taken in a vacuum – so market shifts since the trades were first closed mean it is “ludicrous” to claim these are *“the same as the Trade which would have been placed and/or continued if there had been no Manifest Error”*.

Secondly, Mr H says StoneX didn't have the right to reinstate his trades like it did without him giving permission first. He said he had asked StoneX not to take any action without notifying or informing him in writing first, but StoneX instead reinstated the trades and phoned him on 21 February 2024 to tell him it had done so. Mr H said he had wanted more information about how the error had happened and answers to various other questions first such as details of any professional indemnity insurance StoneX might have.

Thirdly, focussing on his actions after reinstatement overlooks that he should never have been in the position of having his trades wrongly closed and his account then reinstated. The trades suddenly restarted, and he was put into a position of having to manage these. In the interim, and given his trades weren't open, he had not kept his market research up to date.

As for what he might have done if his trades hadn't closed on 14 February 2024, Mr H says:

“There are a range of actions that I could have taken on the account - including potentially closing some trades sooner, and opening new trades in the opposite direction on the same currency pair. I could have also been able to open new trades on other currency pairs if the margin allowed which could have added positive equity to the account. Instead, I was unable to take any action until being suddenly made aware that my positions had been re-opened without any notice, a substantial amount of time after my account had been incorrectly frozen. It is likely that I would have closed some existing trades in that time to benefit my margin.”

Mr H says the fair answer would be for StoneX to cancel the trades from the start and reinstate his £92,500 balance.

- *Provisional decision text ends.*

My provisional decision also set out my provisional findings, as follows:

What I've provisionally decided – and why

StoneX says Mr H's trades made a loss of £88,850.17 upon closure on 14 February 2024.

This reduced his account balance from £92,521.51 to £3676.39. This includes £5.05 that was added. From screenshots sent by StoneX, I gather this £5 was the difference between incorrect swap charges made on 14 February 2024 which totalled £4791.83, and charges it refunded on 15 February 2024 during a failed reinstatement, which totalled £4796.88.

So I presume from this – and from what Mr H has said about seeing a negative balance on his account at some point - that StoneX overcharged Mr H by around £4791 and refunded him £4796 and that his equity when his trades were wrongly closed on 14 February 2024 should have been £3671.

StoneX says it tried to reinstate Mr H's trades on 15 February 2024. It says to do so it made a 'P/L adjustment' of £71,956.49 to Mr H's account. It has sent a table showing that amount. This wasn't the full cost of reinstatement because reinstatement wasn't completed as trades closed during the process - due to insufficient margin. The result of this failed reinstatement was Mr H's balance of £3676.39 reduced by a further £2597.88 to £1078.51 (as shown on a 15 February 2024 statement, says StoneX).

I take it the £2597 reduction in Mr H's balance during the failed reinstatement means after the closure of his trades the prices moved further against him by £2597. I don't know if his trades closing on 15 February means they would've closed at that point anyway had it not been for the incorrect charges closing them earlier – or whether the 15 February closure was brought about by how sums and trades were reinstated onto the account (like the order in which this was done).

Following what StoneX says was a *“delay... with CM posting the reinstatements”*, StoneX reinstated Mr H's trades on 21 February 2024. It says to do so there was a 'P/L adjustment' of £88,850.17 to Mr H's account. An *“account credit”* of £2592.83 (£2597.88 less the £5.05 existing deposit) was added, for the £2597 loss that arose during the failed reinstatement.

StoneX says this *“equates to £91,443 of credit”* which it says is Mr H's *“net loss... because of the incorrect financing”*. It says this restores his *“balance before the incorrect financing charges”* of £92,521.51. It says it had at that point reinstated Mr H's pre-14 February 2024 positions and his account *“was in its original state”*. On this basis it says Mr H has been compensated fairly.

As I understand it, this means Mr H's original balance was restored to the position it was in before his open positions wrongly closed on 14 February and the positions he had open before then were reactivated. For this to have been possible on 21 February, when it failed on 15 February, I expect the prices for Mr H's trades were more favourable on 21 February than on 15 February – but I note the £1257 equity figure I've calculated for 21 February isn't directly comparable to the £1078 balance the failed reinstatement left, because not all Mr H's trades were reactivated during the failed reinstatement. Also, if the reinstatement failed due to how, or the order in which, it was done, I don't overlook that Mr H's equity could've been higher on 15 February than the £1078 balance implies or than the £1257 21 February figure.

I note StoneX's terms for manifest errors allowed it to take steps to put things right, but such steps had to be reasonable. Taking this into account alongside StoneX's other obligations, I don't see that those terms mean it wouldn't be fair and reasonable for me to award Mr H redress if StoneX's steps weren't fair and disadvantaged him.

StoneX says: *“Upon identifying the issue, the business decided to reinstate the account. All positions were restored to their levels prior to the incident, ensuring no impact on the client.”*

I accept Mr H's original balance was restored as were his trades, to the position as it was immediately before the closure. But what I've seen doesn't suggest that Mr H's account

equity was restored in the same way. In other words, the running profit or loss positions of his trades, individually and in aggregate, were different and less favourable on 21 February than they were when they closed on 14 February. I calculate the difference as £2414 - the difference between £1257 on 21 February 2024 and £3671 on 14 February 2024.

I agree that upon identifying an error that has closed an account, a reasonable course is to correct the error and reopen the account. But here Mr H was unable to access his account for a week, and I can't agree this had 'no impact'. I say this bearing in mind that when the account reopened Mr H was returned to his pre-incident position - except it was a week later and his positions were worth less than they had been a week earlier when StoneX's error closed them. In the interim Mr H had been denied, by that error, the chance to trade his account for his benefit and take steps to mitigate or reverse that loss.

If the finance charges hadn't been wrongly inflated, the trades would have continued for a time - with the result that this equity figure would've grown or fallen with the market until such time as Mr H decided to make changes. We are unable to say what changes he would have made or when. So it seems to me the right approach is to take the position at the point the trades closed and the account value there as being the true value at that point. For these purposes it seems to me the failed and incomplete reinstatement can be disregarded.

So it seems to me the value that should've been restored to Mr H's account when it was restored a week after StoneX's error, is the value it had when his trades were stopped on 14 February 2024. From what I've seen the value actually restored to him was £2414 lower. In my view StoneX caused Mr H this loss when his account was restored on 21 February. I say this because in my view the value changes at that point since 14 February can't be fairly attributed to Mr H's trading activity, as he was denied the chance to trade. Also we can't reasonably infer what exactly Mr H might've done had he been able to trade.

My view that it is fair and reasonable for StoneX to compensate Mr H for this loss in these circumstances is reinforced by the fact it was an error by StoneX that denied Mr H this opportunity to trade. For Mr H to bear this loss seems unreasonable in those circumstances.

Mr H seeks his balance of £92500 to be restored instead. But in seeking this it seems to me Mr H is asking for losses he'd already made before 14 February to be cancelled. I don't see that this is fair - it ignores the reality of what his trades had already lost when they closed. Had Mr H been able to trade after 14 February 2024 I accept it is possible he might have reduced those losses, but it seems to me equally possible he might have increased them. So I don't see that Mr H's claim for the restoration of his full balance can be supported.

That said, StoneX says Mr H's account was subject to a margin close out in March 2024 - so I gather he made further losses after his trades were reinstated. By my calculations his equity was £1257 after the reinstatement, so I presume any losses suffered later (and which Mr H wouldn't have suffered had his trades not been reinstated) did not exceed that figure. I've thought carefully about whether StoneX should refund such losses to Mr H.

Mr H didn't ask StoneX not to reinstate his trades before it did so on 21 February 2024. Nor did he agree to accept the losses that had arisen on his trades when they closed. Rather he asked that the matter be discussed with him first. For example in a call on 15 February 2024 he says he *"made it clear that I wished to only communicate only in writing, and that no action should be taken until we had discussed the matter."*

I've said I think StoneX was wrong to restart Mr H's trades without adjusting his equity in the way I think it ought to have done. But I don't think it was wrong to restart the trades. I say this bearing in mind that so long as the trades remained closed and Mr H did not make clear that he didn't want the trades restarted, StoneX risked a claim from Mr H for lost profits if the

trades performed well. StoneX couldn't be expected to allow Mr H to profit without risk by potentially using hindsight to decide to ask for his positions to be reinstated if they did well while refusing reinstatement if they went poorly.

It seems to me that the same applies to Mr H's statement after his trades were reinstated, when he said he wouldn't touch them and wouldn't be responsible for any further losses. In my view if Mr H didn't want the trades reinstated and didn't wish to risk the losses or benefit from the potential gains, then the proper course for him was to close those trades.

StoneX informed Mr H of the reinstatement on 21 February 2024. From that point he knew the trades were running and he could have closed them and crystallised his losses had he not wished the trades to continue. That said, the news came a week after the trades had first closed. Mr H didn't know beforehand that the trades would be reinstated in that way and at that time. Also it isn't obvious that what Mr H had been told by StoneX in the meantime had been consistent or clear enough for him to have firm plans ready for what to do if the trades were reinstated. For example Mr H has said he was told in the meantime that his trades could be revived if he added more cash to his account – but he didn't wish to add more cash without knowing what had gone wrong.

So if Mr H had delayed a little before closing his trades, because he wasn't immediately sure what to do and needed time to decide, I don't think that would've been unreasonable and in my view he would have grounds to claim for losses arising in the interim while he decided. But from what I've seen I don't think that is what happened. From what I've seen, he allowed the trades to run and it seems to me that in doing so for as long as he did and into March, Mr H was accepting the restarting of his trades. It seems to me losses he made after 21 February are losses properly attributed to Mr H's own trading and were within his power to alter. To reject the trades Mr H needed to close them sooner in my view.

So on balance I don't find that Mr H's email telling StoneX on 22 February 2024 he wouldn't be trading his account in future or accepting any extra losses, made StoneX rather than Mr H responsible for losses arising on the account after that.

That said, if Mr H's later losses had been suffered due to him trading to recover the equity of £2414 I find StoneX owed him, those later losses (which I gather wouldn't exceed the equity of £1257 StoneX restored to him) could be considered losses caused by StoneX's error.

But on balance I'm satisfied Mr H's decision not to close the trades sooner was not brought about by him being unwilling to accept the extra loss that had arisen between 14 February and 21 February 2024 – which in my view was a loss StoneX shouldn't have asked Mr H to accept. Rather I find Mr H's decision to not close the trades sooner was mainly because he was unwilling to accept the loss that had already arisen prior to 14 February – which in my view is a loss StoneX could properly ask Mr H to accept as it was caused by his trading.

That said I do think that by restarting the trades while not restoring his equity, StoneX did treat Mr H unfairly and put him in a difficult position which will have caused distress as well as inconvenience. As such I find StoneX was right to offer Mr H £750 for this. So I intend to award Mr H this sum here too.

In summary, in my view it would've been fair for StoneX to reinstate the trades but adjust Mr H's equity to account for the period during which he didn't have control of his trades – or to not reinstate them with Mr H bearing the same loss. StoneX didn't do either. In my view it should compensate Mr H for losses during the 14 February to 21 February 2024 period he didn't control his positions, by refunding the equity his account lost during that period. But in my view StoneX's failings weren't the cause of further losses that arose for Mr H after his trades were reinstated on 21 February 2024. These were caused by Mr H deciding not to

close those trades sooner and being closed out by a margin call a week or more later.

So, with all I've said above in mind, I plan to uphold the complaint in part.

- *Provisional decision text ends.*

Mr H replied to say he accepted my provisional decision. StoneX disagreed, citing its terms and sometimes reiterating points it had made before. Its points included, in brief summary:

- StoneX's terms make clear it doesn't guarantee or compensate for trading opportunities that may have been missed due to account errors or reinstatement delays. Trading decisions and market outcomes remain the sole responsibility of the client. StoneX acknowledges inconvenience caused, but the potential gains or losses from hypothetical trades during the period in question cannot be quantified or attributed to StoneX.
- Under the Manifest Error provisions, StoneX reserves the right to act reasonably and in good faith to correct errors, which includes reinstating positions or adjusting accounts to reflect the state they would have been in had the error not occurred. This is explicitly stated in its terms as follows: *"If a Trade is based on a Manifest Error and/or closed on the basis of Manifest Error, we may act reasonably and in good faith to: void the Trade, close the Trade, or amend/reinstate the Trade so that its terms are the same as if there had been no Manifest Error."* This clause ensures fairness and market integrity by restoring the client's account to its pre-error condition. In this case, Mr H's balance and positions were reinstated in line with these provisions.
- StoneX reiterates the following from an earlier response to Mr H:
 - *"Prior to the Margin Close Out on 14 February 2024, your account balance was: £92,521.51. Due to the incorrect termination of all positions loss on the account was - £88,850.17 (excessive financing charges). That resulted in a balance of £3676.39.*
 - *On 15 February 2024, your positions were reinstated with the amount of £71,956.49 (this was not the full balance because during the attempt of reinstating your positions another Margin Close out was triggered). At the time your account balance fell by £2597.88 to £1078.51 (as per account statement for 15 February 2024).*
 - *On 21 February 2024, the positions were reinstated once more with a second balance adjustment to rectify the second liquidation totalling £88,850.17, along with additional credit of £2592.83 to cover your losses from the previous occurrence. At that time an additional temporary credit of £20,000.00 was used to meet margin requirement and prevent further liquidation.*
 - *Overall, this equated to £91,443.00 of credit, the same as the calculated net loss because of the incorrect financing. When added to the remaining balance after the incorrect financing charges (£1,078.51), this equals £92,521.51, which was the same balance before the incorrect financing charges were applied."*
- There was no additional impact on Mr H as StoneX adjusted his account to the same level. So saying he should be compensated £2414 is not fair on StoneX and an offer of £750 for the inconvenience is generous. In addition, no financing was deducted for the period during which his positions were under review.
- StoneX can't stipulate the actions Mr H would do on the account. He had another account he could've used in the meantime for trading. So StoneX doesn't agree he was given no opportunity when the account in question was under investigation.
- Once positions were reinstated, Mr H retained full control and responsibility for managing

those positions. StoneX's terms emphasise that clients must monitor and manage their accounts at all times, including after reinstatement. Subsequent losses were therefore within Mr H's control.

- In conclusion, StoneX acted in accordance with its contractual rights and regulatory obligations by reinstating Mr H's account to correct the error. While it regrets any inconvenience caused, it doesn't accept liability for lost trading opportunities or hypothetical outcomes. It maintains that its offer of £750 for distress and inconvenience remains fair and reasonable.

As the matter couldn't be resolved informally, it has been passed back to me to decide.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I've arrived at the same conclusion and for the same reasons. I won't set out the findings of my provisional decision again here, which are set out above. But I'll briefly address points StoneX made in its response.

StoneX refers to its terms. I note the provision under which StoneX says it acted provides that "*If a Trade is... closed on the basis of Manifest Error we may act reasonably and in good faith to... amend the Trade, or place a new Trade... so that... its terms are the same as the Trade which would have... continued if there had been no Manifest Error*". So what is contemplated is the amending or placing of a trade to bring about a situation that would've existed – being the continuation of a trade – had there been no error.

Where the trade that is cancelled is reinstated promptly such that it is plain the original trade would still have been running, it would be straightforward to say that the trade being placed was reinstating a trade that "*would have continued*". But here the reinstatement was a week later, and it is far from clear what trades Mr H would've chosen to have running at that point. As StoneX has pointed out, it is not clear what Mr H would've done. As such I don't think it is right to say that what StoneX did amounted to placing trades matching those that "*would have continued*" at the time StoneX restarted them.

From what I've said above and in my provisional decision, it also follows that I do not agree or accept that in restarting the trades as it did StoneX acted reasonably as required in the term it cites – nor do I consider that StoneX's actions merely amounted to, or had the effect of, correcting its error. The calculations it gives don't change my view on this point.

Mr H's trades weren't closed as a result of a trading decision on his part but as a result of an error by StoneX. StoneX then delayed restarting the trades. The loss of equity that occurred in the meantime can't properly be viewed as resulting from Mr H's trading, bearing in mind the delay in restarting the trades and the fact Mr H was prevented from trading his positions during that period due to StoneX's error. I note what StoneX says about Mr H having another account. But I don't see that he could have traded on that account to mitigate potential losses on the cancelled trades, because he didn't know what StoneX was going to do about the cancelled trades and whether, when or on what basis it would reinstate them.

I would emphasise that my conclusions are not concerned with compensating Mr H for a trading opportunity lost due to an account error – or requiring StoneX to guarantee Mr H the opportunity to trade. They are concerned with whether it was fair for StoneX to impose on Mr H as it did, the result of a trade StoneX had cancelled in error a week earlier which Mr H could not influence in the meantime. In my view that wasn't fair. By seeking to impose that

loss on Mr H it is StoneX that imposed on Mr H losses from hypothetical trading during the period in question in my view. The effect of my award here is to reverse that and redress a loss StoneX caused that crystallised when it restarted Mr H's trades on 21 February 2024.

I note what StoneX says about not having deducted finance charges for the period from 14 to 21 February 2024. Had it not waived these charges, it would've increased the loss its error caused Mr H on 21 February 2024 - so waiving these was right in my view. But this doesn't affect my view on the rest of that loss.

As regards losses occurring after the trades were reinstated, and reductions in Mr H's equity as a result of those, my view remains that these were not StoneX's responsibility – so I agree with StoneX's point on that - and I've made no award for those in my redress.

I've thought carefully about StoneX's suggestion that £750 for distress and inconvenience is generous. In my view it is fair and reasonable in all the circumstances here. I say this given that StoneX's error led to Mr H losing control of his trading for a week. It also left him in a distressing state of uncertainty as to what StoneX was going to do and what the financial implications for him might be. Also, given the sums involved, the impact on Mr H had the potential to be quite significant. The situation was made worse by StoneX's decision to then impose on Mr H losses I've found it ought not to have imposed when it restarted his trades.

Mr H also suffered inconvenience from having to enquire of StoneX what was going on and what it was doing – and StoneX acknowledges issues with its communication in the period. That said if the impact on Mr H been only been inconvenience of this kind, I'd agree the sum I award here would be generous. But I take into account also Mr H's distress, as I've noted.

Returning to my award for financial loss, I'm required to decide this complaint on the basis of what is fair and reasonable in all the circumstances. StoneX's effort to correct its error didn't bring about a fair or reasonable result in my view for the reasons I've given. As such even if StoneX's actions did fall within the scope of its terms, I find it would still be fair to award Mr H redress for losses on his account that arose not from his trading but from StoneX's error in closing his trades and not restarting them until a week later.

So I uphold Mr H's complaint on the basis and to the extent I've explained above.

Putting things right

I uphold the complaint. The value that should've been restored to Mr H's account on 21 February 2024 is the value it had when his trades were stopped on 14 February 2024. My provisional decision calculated the equity Mr H's positions lost after StoneX closed them on 14 February 2024 before it reopened them and 21 February 2024 as £2414. Neither party has said or sent anything to suggest an alternative figure for the reduction in Mr H's equity.

So to put things right StoneX Financial Ltd trading as Forex.com must pay Mr H £2414 for losses he suffered while not in control of his positions – and pay Mr H simple interest on this sum at the rate of 8% gross from 21 February 2024 until the date that sum is paid to him.

StoneX Financial Ltd trading as Forex.com should also pay Mr H £750 for distress and inconvenience arising from its shortcomings as outlined above.

My final decision

For the reasons I've given and in light of all I've said above, I uphold this complaint.

StoneX Financial Ltd trading as Forex.com must put things right by doing what I've said

above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 26 November 2025.

Richard Sheridan
Ombudsman